



FILED

06-26-06
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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of Catalina Freight Line, Inc., a California Corporation (VCC-58), for Authority to Add Routes and Types of Service on Its Vessel Common Carrier Service Transporting Freight Between Los Angeles Harbor and Santa Catalina Island, California, and for Rate Relief to Amend Its Tariff.

Application 06-03-007
(Filed March 6, 2006)

SCOPING MEMO AND RULING OF ASSIGNED COMMISSIONER

I. Introduction

Pursuant to Rules 6(a)(3) and 6.3 of the Commission's Rules of Practice and Procedure, this scoping memo confirms the category for this proceeding, designates the principal hearing officer, and sets forth the issues and procedural schedule pursuant to the prehearing conference conducted on May 24, 2006.

Application (A.) 06-03-007 was filed on March 6, 2006, by Catalina Freight Line, Inc. (Catalina Freight), a vessel common carrier authorized to transport freight between Los Angeles Harbor and points on Santa Catalina Island (Catalina). Catalina Freight seeks authorization for the following:

- Addition of a same-day service with a new 74-foot landing craft, with accompanying rate revisions.
- Service to all of the camps and beaches that surround Catalina, in addition to its current service at Pebbly Beach and Two Harbors.

- A 20% Zone of Rate Freedom (ZORF) for the additional services in order to negotiate volume discounts and conduct demonstration runs.
- Increase the minimum shipment rate for regular freight delivery from \$6 for shipments of 1 to 67 pounds to \$11 for shipments of 1 to 100 pounds.

The application has been protested by Pacific Maritime Freight, Inc. (VCC-75), doing business as “Pacific Tug.” Pacific Tug objected to the application’s description of Pacific Tug’s equipment and operations (an objection later acknowledged and corrected by Catalina Freight), the proposed rate structure for service to camps and beaches, the ZORF request, and the environmental effect of the proposed new service.

II. Categorization of the Proceeding; Principal Hearing Officer

By Resolution ALJ 176-3169, on March 15, 2006, the Commission preliminarily categorized this proceeding as “Ratesetting,” as defined in Rule 5(c) of the Rules of Practice and Procedure. The categorization as “Ratesetting” is hereby confirmed. This ruling is appealable only as to category of this proceeding under the procedures in Rule 6.4.

The principal hearing officer for this proceeding is Administrative Law Judge (ALJ) Glen Walker.

III. Ex Parte Rules

The Commission’s ex parte rules applicable to this proceeding are set forth in Rules 7(c) and 7.1. These ex parte rules apply to all parties of record and, more broadly, to all persons with an interest in any substantive matter. The category of individuals subject to our ex parte rules is defined in Pub. Util. Code § 1701.1(c)(4).

IV. Scoping Memo

The scope of this proceeding includes the following issues:

- Is Catalina Freight's same-day service proposal reasonable?
- Is the proposed service to all camps and beaches reasonable?
- Are the rates for the new services and the increase in minimum delivery tariffs reasonable?
- Does the new vessel conform to environmental requirements?

In a joint status report dated June 6, 2006, Catalina Freight and Pacific Tug proposed to move forward in this proceeding through written briefs without the necessity of hearing. By ALJ Ruling dated June 9, 2006, parties were directed to file briefs in the manner that they proposed, but the ruling expressed doubts that all disputed material issues of fact could be resolved on briefs alone.

V. Evidentiary Hearings

The need for evidentiary hearings will be determined after parties submit briefs in the procedural schedule adopted below.

VI. Procedural Schedule

The schedule below is adopted for the service of briefs by the parties.

Catalina Freight opening brief	June 16, 2006
Pacific Tug reply brief	June 30, 2006
Catalina Freight reply brief	July 7, 2006
Evidentiary Hearings	To be determined.

VII. Discovery Matters

As discussed at the prehearing conference, in the event that parties are not able to resolve any disputes over discovery on a reasonably prompt basis, they

shall bring the dispute before the Commission without delay in the form of a motion to compel.

IT IS RULED that:

1. This ruling confirms the categorization of this proceeding as ratesetting, as defined in Rule 5(c) of the Commission's Rules of Practice and Procedure.
2. The principal hearing officer for this proceeding is Administrative Law Judge Glen Walker.
3. The ex parte rules as set forth in Rules 7(c) and 7.1 shall apply to this proceeding.
4. The scope of this proceeding is described in Section IV above, and the schedule is hereby adopted as set forth in Section VI.

Dated June 26, 2006, at San Francisco, California.

/s/ JOHN A. BOHN

John A. Bohn
Assigned Commissioner

INFORMATION REGARDING SERVICE

I have provided notification of filing to the electronic mail addresses on the attached service list.

Upon confirmation of this document's acceptance for filing, I will cause a copy of the filed document to be served upon the service list to this proceeding by U.S. mail. The service list I will use to serve the copy of the filed document is current as of today's date.

Dated June 26, 2006, San Francisco, California.

/s/ FANNIE SID

Fannie Sid

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